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Congress of the United States
House of Representatives
Washington, DC 20515-1603

October 19, 2011

COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEES:
COMMERCE, JUSTICE, SCIENCE, AND
RELATED AGENCIES
FINANCIAL SERVICES AND GENERAL GOVERNMENT
MILITARY CONSTRUCTION, VETERANS AFFAIRS,
AND RELATED AGENCIES

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Genachowski,

I am writing in regard to the proposed merger of AT&T and T-Mobile USA (a subsidiary of Deutsche Telekom). I know that many members of Congress have weighed in both in support of and in opposition to the proposed merger, and as a Congressman representing Kansas, which is the location of Sprint worldwide headquarters; I would like to add my voice in opposition to this pending merger.

It is my understanding that in the domestic wireless industry, Verizon Wireless represents 34.3% of the industry, followed by AT&T (31.7%), Sprint (15.5%), T-Mobile (11.6%), U.S. Cellular (2.3%), MetroPCS (2.2%), Cricket (1.5%), and a number of other minor players. A cursory review of the facts indicates that the proposed merger could result in having two wireless carriers representing over 77% of the marketplace. This level of concentration would lead to a duopoly, as the remaining players would lack the capital, spectrum and network footprint to compete effectively. In these perilous economic times, the government should be taking steps to increase and encourage market competitiveness instead of granting approval to the contrary.

Mergers of this size and scope may result in not only significant job losses for the company being absorbed, but consequently may also force rival companies to cut their job force in an effort to remain competitive. The current telecom work force employed by Sprint in the Kansas City metro area is close to 7,000 employees. Allowing this merger to proceed will undoubtedly result in a work force reduction. Not only will Kansas suffer an increased financial burden due to higher unemployment and reduced tax revenue, but small businesses located around the Sprint campus will feel the ancillary repercussions that result from large scale corporate layoffs.

In general, I believe it is important that companies adjust to market forces, and constantly strive to remain competitive. I realize this means mergers will, and probably should occur in order to keep a vibrant and competitive marketplace. However, in this case, allowing just two companies to create a duopoly would result in less competition as opposed to more, less product options for consumers as opposed to more, higher prices as opposed to lower and more unemployment as opposed to less.

*WTB
merger
ATT/T-Mobile
1500*

In this troublesome economy, allowing this merger to go forward would be a step back instead of a step forward and I hope that the Commission will join the Department of Justice in opposing this merger from proceeding.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Yoder", with a long, sweeping horizontal stroke extending to the right.

Kevin Yoder
Member of Congress

KY/pc



FEDERAL COMMUNICATIONS COMMISSION

November 10, 2011

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Kevin Yoder
U.S. House of Representatives
214 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Yoder:

Thank you for your letter expressing your concerns regarding the proposed merger of AT&T and T-Mobile. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

I can assure you that the Commission is undertaking a thorough, rigorous, and fact-based review of the proposed transaction, consistent with our statutory obligations under the Communications Act.

Please do not hesitate to contact me if I can be of further assistance with this or any other matter.

Sincerely,



Julius Genachowski